

## FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20463

James Washburn McKenna, Long & Aldridge 303 Peachtree Street N.E. Suite 5300 Atlanta, Georgia 30308 OCT 1 2 2005

Re: MUR 5480

Dear Mr. Washburn:

On October 6, 2005, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of violations of 2 U.S.C. §§ 434(b)(3)(B), 441i(e)(1)(A), provisions of the Federal Election Campaign Act of 1971, as amended and 11 C.F.R. §§ 104.3(d), 110.3(d) of the Commission's regulations. Accordingly, the file has been closed in the matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty amount of \$9,600 is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1618.

Sincerely,

Kimberly D. Hart

Attorney

Enclosure
Conciliation Agreement

## BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 5480
Liane Levetan	)	
	)	
Liane Levetan for Congress and	)	
Dorothy E. Williams, in her official	)	
capacity as treasurer and	)	
	)	
Liane Levetan for Senate and	)	
Dorothy E. Williams, in her official	)	
capacity as treasurer	)	

## **CONCILIATION AGREEMENT'**

This matter was initiated by a signed, sworn, and notarized complaint by Catheren Woolard and Friends of Cathy Woolard. The Federal Election Commission ("Commission") found reason to believe that: Liane Levetan violated 2 U.S.C. § 441i(e)(1)(A) and 11 C.F.R. § 110.3(d); Liane Levetan for Congress and Dorothy E. Williams, in her official capacity as treasurer violated 2 U.S.C. §§ 434(b)(3)(B), 441i(e)(1)(A) and 11 C.F.R. § 110.3(d); and Liane Levetan for Senate and Dorothy E. Williams, in her official capacity as treasurer, (collectively "Respondents") violated 2 U.S.C. § 441i(e)(1)(A), and 11 C.F.R. § 110.3(d).

NOW, THEREFORE, the Commission and the Respondents having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).
- II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

- III. Respondents enter voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:
- Liane Levetan, a member of the Georgia State Senate, ran for the Fourth District Congressional seat in the 2004 primary election.
- 2. Liane Levetan for Senate ("the Levetan state committee;") is Liane Levetan's state campaign committee.
  - 3. Dorothy E. Williams is the treasurer of the Levetan state committee.
- 4. Liane Levetan for Congress ("the Levetan federal committee"), is a political committee within the meaning of 2 U.S.C. § 431(4), and was Liane Levetan's principal authorized campaign committee for her Congressional race.
  - 5. Dorothy E. Williams is the treasurer of the Levetan federal committee.
- 6. The Federal Election Campaign Act of 1971, as amended ("the Act"), prohibits a Federal candidate, a candidate's agent, and entities established, financed, maintained or controlled by them from soliciting, receiving, directing, transferring, o spending funds in connection with a Federal election unless the funds are subject to the limitations, prohibitions and reporting requirements of the Act. 2 U.S.C. § 441i(e)(1)(A).
- 7. Transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election are prohibited. 11 C.F.R. § 110.3(d).
- 8. Each report detailing receipts and disbursements for political committees shall contain the identification of each political committee which makes a contribution to the reporting committee together with the date and amount of any such contribution 2 U.S.C. § 434(b)(3)(B).
- 9. On April 15, 2004, Respondent Levetan, through the Levetan state committee, commissioned and paid for the cost of a poll, totaling \$21,345, that benefited both the Levetan

state committee and the Levetan federal committee. However, the Levetan state committee paid the entire cost of the poll.

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- 10. Under 11 C.F.R. § 106.4(e)(2), when a poll is conducted that benefits both a federal committee and a state committee, the cost may be allocated by dividing the cost equally between the federal committee and the state committee. Accordingly, fifty percent of the cost of the poll should have been allocated to the Levetan federal committee. Because the Levetan federal committee did not initially pay any amount for the poll, fifty percent of the cost constituted an in-kind contribution from the Levetan state committee to the Levetan federal committee.
- 11. The Levetan state committee reported the payment for the entire cost of the poll on its 2004 disclosure report filed with the Georgia Secretary.
- 12. The Levetan federal committee failed to report the receipt of the in-kind contribution on its 2004 Pre-Primary Report. On July 13, 2004, however, the Levetan federal committee reimbursed the Levetan state committee in the amount of \$10,672.50, representing fifty percent of the poll cost. The Levetan federal committee disclosed the reimbursement to the Levetan state committee on its October 2004 Quarterly Report.
- V. 1. Respondents contend that the Levetan federal committee would not have violated federal law had it immediately paid for one half of the poll and properly reported the transaction on its federal reports. However, the Levetan federal committee's acceptance of the poll from the Levetan state committee without immediate payment violated federal law regarding acceptance of contributions from non-federal committees.
- 2. Liane Levetan for Senate and Dorothy E. Williams, in 1 er official capacity as treasurer, impermissibly paid \$10,672.50 for an expenditure that should have been paid for by Liane Levetan for Congress, in violation of 2 U.S.C. § 441i(e)(1)(A) and 11 C.F.R. § 110.3(d).

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Liane Levetan for Senate and Dorothy E. Williams, in her official capacity as treasurer, will cease and desist from violating 2 U.S.C. § 441i(e)(1)(A) and 11 C.F.R. § 110.3(d).

- 3. Liane Levetan for Congress and Dorothy E. Williams, in her official capacity as treasurer, received an impermissible asset when Liane Levetan for Ser ate paid \$10,672.50 for a federal expenditure, in violation of 2 U.S.C. § 441i(e)(1)(A) and 11 C.F.R. § 110.3(d). Liane Levetan for Congress and Dorothy E. Williams, in her official capacity as treasurer, will cease and desist from violating 2 U.S.C. § 441i(e)(1)(A) and 11 C.F.R. § 110.3(d).
- 4. Liane Levetan impermissibly transferred the poll asset referenced in paragraph IV.9 to Liane Levetan for Congress when the Levetan state committee paid for the federal portion of the expenditure. Liane Levetan will cease and desist from violating 2 U.S.C. § 441i(e)(1)(A) and 11 C.F.R. § 110.3(d).
- 5. Liane Levetan for Congress and Dorothy E. Williams, in her official capacity as treasurer, failed to report the receipt of an in-kind contribution from Levetan for Senate in its 2004 Pre-Primary Report in violation of 2 U.S.C. § 434(b)(3)(B). Liane Levetan for Congress and Dorothy E. Williams, in her official capacity as treasurer, will cease and desist from violating 2 U.S.C. § 434(b)(3)(B).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Nine Thousand Six Hundred Dollars (\$9,600) pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained ir this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence H. Norton General Counsel

Associate General Counsel

for Enforcement

FOR THE RESPONDENTS:

Counsel for Respondents

10/12/05 Date